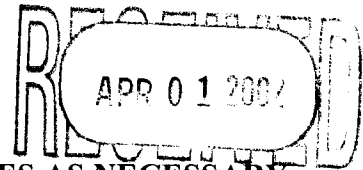


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

Director of Utilities

T

W-02301A
TORTOLITA WATER CO., INC.
3573 E. SUNRISE DR., SUITE 125
TUCSON AZ 85718-

ANNUAL REPORT

FOR YEAR ENDING

12	31	2001
----	----	------

FOR COMMISSION USE

ANN04	01
-------	----

Processed by:

4/2/02 C.M.

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>Tortolita Water Co., Inc</u>			
Mailing Address <u>3573 E Sunrise Dr., Ste 125</u>			
(Street)			
<u>Tucson,</u>	<u>AZ</u>	<u>85718</u>	
(City)	(State)	(Zip)	
<u>(520) 615-9802</u>	<u>(520) 615-9789</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
Local Office Mailing Address <u>3573 E. Sunrise Dr., Ste 125</u>			
(Street)			
<u>Tucson,</u>	<u>AZ</u>	<u>85718</u>	
(City)	(State)	(Zip)	
<u>(520) 615-9802</u>	<u>(520) 615-9789</u>		
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

MANAGEMENT INFORMATION

Management Contact: <u>Daniel H. O'Connell</u>				<u>President</u>
(Name)				(Title)
<u>3573 E. Sunrise Dr., Ste 125</u>	<u>Tucson, AZ</u>	<u>85718</u>		
(Street)	(City)	(State)	(Zip)	
<u>(520) 615-9802</u>	<u>(520) 615-9789</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)		
Email Address _____				
On Site Manager: _____				
(Name)				

(Street)	(City)	(State)	(Zip)	

Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)		
Email Address _____				

Statutory Agent: Daniel H. O'Connell
(Name)

3573 E. Sunrise Dr., Ste 125

Tucson, AZ 85718

(Street)

(City)

(State)

(Zip)

(520) 615-9802

(520) 615-9789

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Daniel H. O'Connell

(Name)

same as above

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☒ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

UTILITY PLANT IN SERVICE

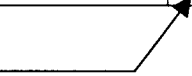
Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	50,000.00	N/A	50,000.00
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment	5,000.00	(5,000)	00
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	55,000.00	(5,000.00)	50,000.00

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	50,000.00	N/A	N/A
304	Structures and Improvements	20,000.00	per schedule approx 4%	727.00
307	Wells and Springs			
311	Pumping Equipment	5,000.00	fully depreciated	
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	75,000.00		727.00

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.



BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 687.38	\$ 926.07
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies	3,304.50	1,415.75
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 3,991.88	\$ 2,341.82
	FIXED ASSETS		
101	Utility Plant in Service	\$ 5,000.00	\$ 5,000.00
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(5,000.00)	(5,000.00)
121	Non-Utility Property	70,000.00	70,000.00
122	Accumulated Depreciation – Non Utility	(8,437.00)	(9,164.00)
	TOTAL FIXED ASSETS	\$ 61,563.00	\$ 60,836.00
	TOTAL ASSETS	\$ 65,554.88	\$ 63,177.82

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 258.00	\$ 630.09
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	00	311.25
235	Customer Deposits		
236	Accrued Taxes	306.45	418.51
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 564.45	\$ 1,359.85
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 564.45	\$ 1359.85
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 400.00	\$ 400.00
211	Paid in Capital in Excess of Par Value	74,600.00	74,600.00
215	Retained Earnings	(10,009.24)	(13,182.03)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 64,990.76	\$ 61,817.97
	TOTAL LIABILITIES AND CAPITAL	\$ 65,555.21	\$ 63,177.82

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$	\$
460	Unmetered Water Revenue	475.00	575.00
474	Other Water Revenues		
	TOTAL REVENUES	\$ 475.00	\$ 575.00
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	429.51	485.28
618	Chemicals		
620	Repairs and Maintenance	491.13	2437.93
621	Office Supplies and Expense		
630	Outside Services	400.00	2668.57
635	Water Testing		
641	Rents	600.00	2200.00
650	Transportation Expenses		
657	Insurance – General Liability	136.00	
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	134.67	40.00
403	Depreciation Expense	727.00	727.00
408	Taxes Other Than Income	22.62	30.09
408.11	Property Taxes	467.66	836.66
409	Income Tax	50.00	50.00
	TOTAL OPERATING EXPENSES	\$ 3498.59	\$ 9475.53
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 31.48	\$ 38.57
421	Non-Utility Income	2200.00	5775.00
426	Miscellaneous Non-Utility Expenses	122.29	85.50
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	\$ 2099.19	\$ 5728.07
	NET INCOME/(LOSS)	\$ (914.40)	\$ (3172.46)

COMPANY NAME	TORTOLITA WATER CO., INC
---------------------	---------------------------------

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	N/A			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End	\$	N/A
Meter Deposits Refunded During the Test Year	\$	N/A

COMPANY NAME TORTOLITA WATER CO., INC

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-801242				

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = _____

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity

STATISTICAL INFORMATION

Total number of customers 2

Total number of gallons sold unmetered gallons

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	(3172.00)
Estimated or Actual Federal Tax Liability	00

State Taxable Income Reported	(3172.00)
Estimated or Actual State Tax Liability	50.00

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	00
Amount of Gross-Up Tax Collected	00
Total Grossed-Up Contributions/Advances	00

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

3/26/02
DATE

Daniel H. O'Connell
PRINTED NAME

President
TITLE

COMPANY NAME TORTOLITA WATER CO., INC YEAR ENDING 12/31/2001

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

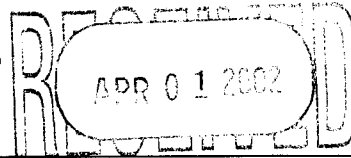
\$ 651.98

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT**
Intrastate Revenues Only

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Pima</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Daniel H. O'Connell, President</u>
COMPANY NAME	<u>Tortolita Water Co., Inc</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

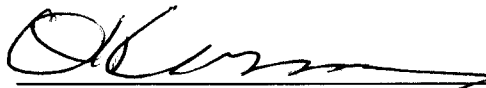
\$ 575.00

(THE AMOUNT IN BOX ABOVE

INCLUDES \$ 30.09

IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
(520) 615-9802
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

38th

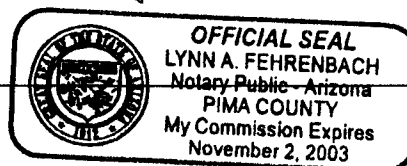
DAY OF

COUNTY NAME	<u>Pima</u>
MONTH	<u>March</u>
	<u>2002</u>


SIGNATURE OF NOTARY PUBLIC

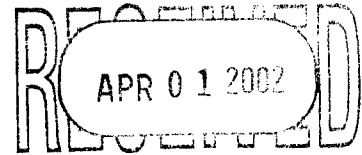
(SEAL)

MY COMMISSION EXPIRES November 2, 2003



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) Daniel H. O'Connell	TITLE President
COMPANY NAME Tortolita Water Co., Inc	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 575.00

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 30.09
IN SALES TAXES BILLED, OR COLLECTED

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

X
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

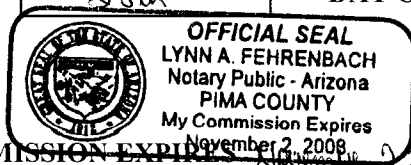
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

28th

DAY OF

(SEAL)



MY COMMISSION EXPIRES November 2, 2008

NOTARY PUBLIC NAME Lynn A. Fehrenbach	
COUNTY NAME Pima	
MONTH March	2009

X
SIGNATURE OF NOTARY PUBLIC

TORTOLITA WATER CO.

1124

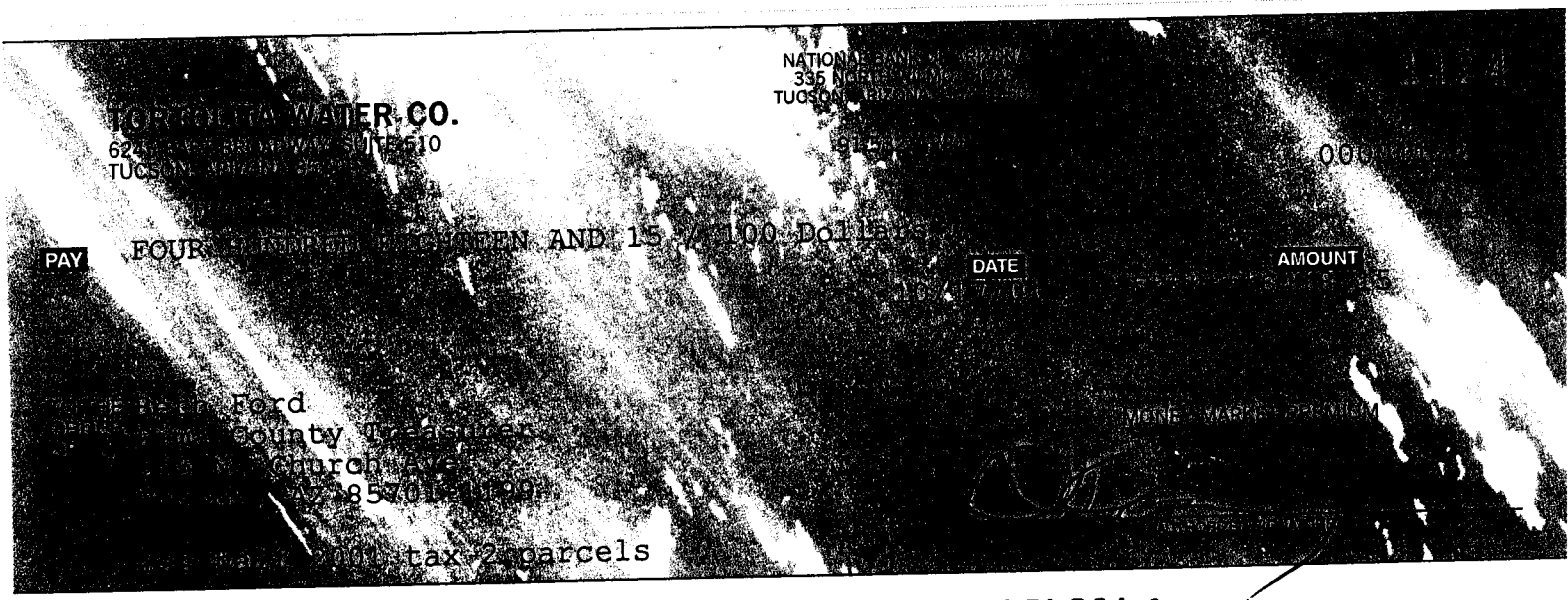
VENDOR ID: PIMACO
PAYEE: Beth Ford

CHECK NO: 00001124
MEMO: 1st half 2001 tax 2 parcels

DATE: 10/17/01

ACCOUNT	AMOUNT
6480 Taxes - Real estate	418.15

CHECK TOTAL: *****\$418.15



@001124 122105320 0016074864

VENDOR ID: PIMACO
PAYEE: Beth Ford

CHECK NO: 00001124
MEMO: 1st half 2001 tax 2 parcels

DATE: 10/17/01

ACCOUNT	AMOUNT
6480 Taxes - Real estate	418.15

CHECK TOTAL: *****\$418.15

TORTOLITA WATER CO.

1124

National Bank OF ARIZONA

TORTOLITA 1

Account #

Page #

62 101 903-60-6100
218-44-0650

TORTOLITA WATER CO.
200 S. Broadway St., Box 125
Tucson, AZ 85701
(520) 244-0000

NATIONAL BANK OF ARIZONA
200 NORTH WILLOW STREET
TUCSON, ARIZONA 85701-0001

1124

91-632/1221

00001124

FOUR HUNDRED EIGHTEEN AND 15 / 100 Dollars

10/17/01 *****418.15

TO THE Beth Ford
ORDER Pima County Treasurer
OF 115 N. Church Ave.
TUCSON, AZ 85701-1199

MONEY MARKET PREMIUM

1st half 2001 tax 2 parcels

#001124# 41221053206 0016074864# 0000041815#

11/23/01

1124

418.15

C 280982 PIMA COUNTY TAX RECEIPT



CD BOOK MAP PARCEL 2000 FIRST HALF 2000 SECOND HALF
10 218 44 06506 PAID PAID

PROPERTY ADDRESS:

RECEIPT FOR PAYMENT OF: SECOND HALF 2000
TAXES PAID: \$9.57
INTEREST PAID: \$0.00

LEGAL DESCRIPTION:

WELLSITE IN SW4 SW4 SW4 .04 AC SEC 26-11-12
TOTAL VALUE OF OPERATING PROPERTY-TAXPAYER
GROUP NO 036
(FORMERLY 202-21-013N)
(FORMERLY 202-21-0650)

TOTAL AMOUNT PAID: \$9.57
DATE PAID: 05/08/2001

TORTOLITA WATER COMPANY INC
3573 E SUNRISE DR #120
TUCSON AZ
857180000

Thank you for your payment.

BETH FORD

PIMA COUNTY TREASURER

SP

C 280983 PIMA COUNTY TAX RECEIPT



CD BOOK MAP PARCEL 2000 FIRST HALF 2000 SECOND HALF
10 903 60 61009 PAID PAID

PROPERTY ADDRESS:

RECEIPT FOR PAYMENT OF: SECOND HALF 2000
TAXES PAID: \$224.26
INTEREST PAID: \$0.00

LEGAL DESCRIPTION:

TOTAL VALUE OF OPERATING PROPERTY - TAXPAYER
GROUP NO 036

TOTAL AMOUNT PAID: \$224.26
DATE PAID: 05/08/2001

TORTOLITA WATER SYSTEM
DANIEL O CONNELL/PRES
3573 E SUNRISE DR #120
TUCSON AZ
857180000
SP

Thank you for your payment.

BETH FORD

PIMA COUNTY TREASURER